EXCISE

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S/P Notice

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POLICY PLANNING STAFF

AUG 31 1950

Department of State

Memorandum of Conversation

TOP SECRET

EXCISE

DATE: August 29, 1950

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DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY _____ DATE 10 AUG 1981
PORTIONS DENIED AS INDICATED

SUBJECT:

Formosa

PARTICIPANTS:

Sir Oliver Franks, British Ambassador
Mr. Matthews, G.
Ambassador Jessup, S/A.
Mr. Merchant, FE.
Mr. Hubert Graves, Counselor, British Embassy.

COPIES TO:

S - The Secretary; G - Mr. Matthews; S/A - Mr. Jessup, S/P - Mr. Nitze; FE - Mr. Rusk; EUR - Mr. Perkins; UNA - Mr. Wickersom.

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The discussion of the previous day on the subject of Formosa was resumed at 3:30 this afternoon. Mr. Matthews opened with the statement that while we had not had an opportunity thoroughly to study the two papers which the Ambassador had left with us the previous day, a preliminary reading of them indicated that they were both helpful and constructive.

The British Ambassador at this point reported a conversation of which London had just learned between [redacted] and the Soviet Ambassador in Peiping. [redacted] reported the Soviet as having said that the Chinese Communists would not attack Formosa while that subject was under active consideration in the UN and that they would only make their decision when they saw the treatment which Formosa received in the UN, presumably in the General Assembly, the implication appeared to be that if Peiping was dissatisfied with the UN action on Formosa it would probably thereafter launch its attack.

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Discussion then turned to Paragraph 15 of the British paper which it was agreed was an interesting formula and one justifying further exploration. Ambassador Jessup pointed out that he would be interested in seeing inserted into it the plebiscite idea to which Sir Oliver Franks indicated his belief

TOP SECRET

his belief that London would be open-minded.

At one point in the discussion, Ambassador Jessup referred to our efforts as being designed to find a common meeting ground somewhere between the opposite extremes of (1) an irrevocable commitment to turn Formosa over to the present Chinese Communist Government irrespective of its behavior and attitude, and (2) attempting to ensure that Formosa did not come under the control of an unfriendly power during a period of world tension. Sir Oliver replied in effect that the most hopeful basis for our two governments reaching an agreed position was not a compromise between these two extremes but a retention of both thoughts. He explained that if we could subscribe to the legitimacy of Chinese claim as China to Formosa then he felt there would be little difficulty on the part of his government in agreeing to the necessity of neutralizing it so long as there was danger in the area and he pointed out the reference in the memorandum to the behavior of the Chinese Communists as a controlling factor in the timing of any turnover. He also said he felt Mr. Bevin attached great store to the removal of any thought or intention of maintaining Formosa as a base for the invasion by Chiang Kai-shek of the Mainland.

After a protracted discussion of various aspects of the British proposal, which it was agreed had merit, Sir Oliver said that he had hoped to be able to discuss Formosa when he saw the Secretary the following day and that what he thought would advance these interchanges more rapidly would be our submission of a piece of paper giving our modified ideas on their formula. This piece of paper could then be referred to the Secretary and to Mr. Bevin as a possible basis for further discussion between them, it being recognized that at this stage, the paper possessed no standing and carried no commitment. Mr. Matthews and Mr. Jessup said that we would attempt to produce such an informal paper and consult the Secretary's wishes in the matter. It was also pointed out that Mr. Rusk was away on a short leave and it was desired that his views be sought before advancing beyond the present exploratory stage.

FE:LTMerchant:kc
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TOP SECRET